

If we really believe in family values, then let us do a better job of valuing our families. Let us continue the Democratic fight for what families value: job opportunities, health care, child care, and housing for everyone—not just a select few.

GREAT LAKES, GREAT FISHING

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 18, 1996

Mr. BARCIA. Mr. Speaker, sportfishing is already an extremely popular activity in Michigan. In 1994, over 884,000 fishing licenses were issued and there were almost 900,000 boaters—the largest number of boaters in any State in the entire country. 1995 was an exciting year for many Michigan sports fishermen because we set three new records. The largest Longnose Gare, Mooneye, Red ear sunfish were all caught in Michigan last year. Furthermore, one new record has already been set for 1996. A 4 pound 2 ounce Gizzard Shad was caught on Lake St. Clair on May 12.

With such a positive experience, it should be no surprise that the In-Fisherman Professional Walleye Trail anglers are holding the Lubrimatic/Stren Eastern Pro-Am tournament today through Saturday on Saginaw Bay and into Lake Huron, with its headquarters in AuGress, in my congressional district. One hundred and thirty professional anglers will be joined by amateurs as they compete over 1,300 square miles to catch the biggest walleyes they can. This is a regional tournament leading to the national championship this September in Bismark, ND.

Sportsmen are among the best environmentalists we will ever find. They know the importance of the maintenance of habitat and good management practices. In fact, in 1979 fishing groups joined with local governments to form a Saginaw Bay Consortium to raise and stock Saginaw Bay. The Saginaw Bay Walleye Club and the National Guard Construction Battalion built points and upgraded abandoned sewage treatment plants. They raised walleyes, having planted more than 1 million in the early to mid 1980's. Later they were joined by Arenac, Huron, and Losco counties in raising more fingerlings, so that now about 750,000 walleyes are stocked every other year, and northern pike are raised in the intervening year.

Many people think of Michigan as the car State. As proud as we are of our auto industry, we are equally proud of the marvelous recreational and tourism opportunities offered throughout our state. In fact, I have more shore line in my congressional district than is contained in most other States, including many coastal States.

Blue skies, blue waters, great scenery, great people, and great fishing. This is what the anglers at the In-Fisherman Professional Walleye Trail are experiencing right now, and this is what is waiting for anyone who visits the Great Lakes State, Michigan. I welcome all of our visitors, and invite many, many more.

SUPPORT A LOAN GUARANTEE FOR THE OLIVENHAIN WATER STORAGE PROJECT

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 18, 1996

Mr. CUNNINGHAM. Mr. Speaker, I rise today to introduce legislation that will help north San Diego County meet its water needs in the event of an emergency and also encourage the Federal Government to shift its role from that of planner and builder of expensive western water projects to the more cost-effective role of being a facilitator and partner in regional efforts to solve regional problems. My legislation will authorize the Secretary of Interior to provide a Federal loan guarantee to the developer of the Olivenhain Water Storage Project, a project currently being planned by the Olivenhain Municipal Water District in my district of north San Diego County.

The Olivenhain Water Storage Project is a critical part of the effort to increase the independence and economic stability of north San Diego County. Currently, the north county is almost 100 percent dependent on imported water from northern California and the Colorado River to meet its residential, industrial, and agricultural/horticultural needs. Potential drought conditions, environmental needs at the source, and demand elsewhere in the State all contribute to a rapidly rising cost of imported water, the cost of water to north San Diego County has risen 55 percent in the last 5 years. Additionally, an earthquake along any one of the three major faults underlying the pipelines that bring imported water to San Diego County could cut off water supply to the region for up to 2 months. The residents of north county must be assured that water will be available should a natural disaster occur.

The Olivenhain Water Storage Project will provide emergency water supplies for over 1 million people, including those living in the cities of Oceanside, Carlsbad, Solana Beach, Encinitas, and San Marcos, as well as portions of the city of San Diego. The San Diego County Water Authority supports my legislation, as they recognize that the lack of emergency water storage in San Diego County must be addressed immediately. A copy of their letter of endorsement is attached at the end of this statement.

The project is fully permitted after going through more than 10 years of environmental review. Working together with the U.S. Fish and Wildlife Service, a biological resource management plan has been developed that will enhance regional habitat preservation while also providing 17 miles of nature, hiking and bicycle trails to the community.

The proposed loan guarantee program reflects the changing role played by the Federal Government in developing water projects in the West. Rather than having the Federal Government contribute funds, construct the project and control its management, the loan guarantee program allows the Government to leverage its limited funds to allow for cost-effective private financing alternatives and encourages public-private partnerships in the building and operation of the project. This limited Federal participation in the financing of water infrastructure projects allows the project developers to secure private loans at rates

that are competitive with municipal tax-exempt financing, while preserving the limited bonding capacity of local governments for other crucial community needs like public safety and schools.

The Olivenhain Municipal Water District is considering the possibility of utilizing a public-private partnership such as I have described for the development of the Olivenhain Water Storage Project. Under this scenario, the district would competitively select a private partner to build and finance the project, which would then be leased back to the district. No Federal taxpayer funds would be involved in the financing of the project, and the local ratepayers will benefit from the cost-efficient construction and management of the project.

The U.S. Environmental Protection Agency estimates that the costs of complying with the Safe Drinking Water Act and the Clean Water Act will be nearly \$200 billion in the next 15 years. Neither local governments nor the Federal Government have the unlimited resources necessary to meet these costs. However, through a loan guarantee program such as the one that will be demonstrated under this legislation, limited Federal resources can be the catalyst for the development of private capital to meet these needs.

There have already been congressional hearings on legislation to create a loan guarantee program—April 18, 1996. Opposition to that legislation (H.R. 2781) centered around the potential exposure of the Federal Government to a loan default and the elimination of the existing direct lending program at the Bureau of Reclamation. This new bill addresses those concerns by: First, limiting the loan guarantee authority to the development of one project; second, requiring that project developers secure any loans guaranteed by the Government; and third, allowing the existing loan program to remain unaffected by this new proposal.

The Overseas Private Investment Corporation provides tens of millions of loan guarantees for the private development of water infrastructure in foreign countries. Shouldn't we afford our own communities in the United States with the same opportunities for competitive infrastructure development?

My legislation will demonstrate that loan guarantees provide a cost-effective alternative for Federal assistance in financing water infrastructure development. I urge my colleagues to support this measure. I have attached a letter of support from the San Diego County Water Authority.

SAN DIEGO COUNTY
WATER AUTHORITY,
San Diego, CA, May 20, 1996.

Re support of Government loan guarantee for water storage project in San Diego County.

Hon. RANDY "DUKE" CUNNINGHAM,
Congress of the United States, Cannon House
Office Building, Washington, DC.

DEAR CONGRESSMAN CUNNINGHAM: The San Diego County Water Authority has been working diligently to complete an Environmental Impact Report (EIR) under CEQA and Environmental Impact Statement (EIS) under NEPA for emergency storage in San Diego County. Currently four alternatives are under consideration. The Water Authority staff expects the Board of Directors to select a preferred alternative and certify the EIR in July 1996. Certification of the EIS and granting of a 404 Permit by the Corps of Engineers would occur months later.